

Hefner. (Read title.) The bill was introduced on January 15, referred to the Business and Labor Committee, advanced to General File. There are committee amendments pending by the Business and Labor Committee, Mr. President.

PRESIDENT: Senator Hall, please.

SENATOR HALL: Thank you, Mr. President, and members. LB 290 is brought to us by Senator Hefner, as explained by the Clerk. It deals with the maximum unemployment contribution rate that can be assessed against a negative balance account. The committee amendments take the original bill, which would have increased it from 5.4 to 7.4 effective January 1 of '88, and spread that out over a two-year period so that it would increase effective January 1st of 1988 to 6.4 and then effective January 1 of '89 to 7.4. And that's all the committee amendments do. I would urge the body to adopt them.

PRESIDENT: Mr. Clerk, I understand you have an amendment to the committee amendments.

CLERK: Mr. President, Senator Landis would move to amend the committee amendments. (The Landis amendment appears on page 1128 of the Legislative Journal.)

PRESIDENT: Senator Landis, please.

SENATOR LANDIS: Mr. Speaker and members of the Legislature, years ago I served as the legal counsel of the Business and...well, at that time it was called the Labor Committee, but now the Business and Labor Committee, and at that time the issue of the negative balance employers was before the committee. There was a range of contributions to the unemployment compensation fund from about 2.4 down to about .5. And there was overwhelming evidence that certain portions of the economy made far greater use of the unemployment fund than others. And so we, after almost all the rest of the states had created higher rates for negative balance employers, finally got into the business of altering our contribution rates and increasing them for negative balance employers, negative balance employers meaning employers who do not contribute that amount of money that their employees draw from the fund when they release those employees back into the labor force. We moved that number to 5.4 over a time and that number is the lowest one in the country. As a matter of fact, there isn't a state in the Midwest that touches our borders that has that low of a rate for